

Transportation Fund for Clean Air Application Guidance for Regional Funds

2000

BAY AREA
AIR QUALITY



TRANSPORTATION
FUND FOR
CLEAN AIR

**Bay Area Air Quality Management District
939 Ellis Street, San Francisco, CA 94109
April 2000**

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TFCA Highlights

Changes in the TFCA Program

1. **The TFCA \$ per ton Funding “threshold”** – The Air District Board will not approve any project for TFCA funding that has a TFCA cost effectiveness equal to or greater than \$50,000 for the FY2000/01 funding cycle. (This policy does not apply to the Vehicle Incentive Program).
2. **Matching Funds** – Project sponsors requesting greater than \$100,000 in TFCA Regional Funds must provide matching funds from non-TFCA Regional Funds which equal or exceed 20% of the total project cost.
3. **Clean Air Vehicle Purchases** - The Air District Board established fixed incentive amounts for eligible heavy-duty clean air vehicles (see policy 15) and, consistent with the legislative changes, has deleted the demonstration limitation for clean air vehicle projects.
4. **Smart Growth Projects** – Physical improvements that support projects that achieve motor vehicle emission reductions are eligible for TFCA funds.

SECTION I: INTRODUCTION

This document explains how to apply for funds from the Transportation Fund for Clean Air (TFCA) Regional Fund, the eligible types of applicants and projects, and the evaluation criteria that will be used to evaluate and select projects in the FY 2000/01 funding cycle. Potential applicants should review the policies set forth in Section II of this document, the evaluation criteria described in Section III, and the application instructions in Section IV prior to preparing proposals for funding. The application form is also available via e-mail at tfca@baaqmd.gov, or on the Air District's web site at <http://www.baaqmd.gov/planning/plntrns/tfcapage.htm>.

The Transportation Fund for Clean Air

The Bay Area Air Quality Management District (Air District), in conjunction with the Department of Motor Vehicles, collects a \$4.00 surcharge on motor vehicle registrations paid within the Air District's jurisdiction. The surcharge provides funding for the Air District's Transportation Fund for Clean Air. TFCA funds are distributed to public agencies to implement projects to reduce air pollution from motor vehicles in accordance with the requirements of State law and the Air District's *Bay Area 1997 Clean Air Plan* (CAP).

The Air District's objectives for the TFCA are to fund the most cost-effective projects that reduce motor vehicle emissions, and to support implementation of the transportation control measures (TCMs) and mobile source measures contained in the *Clean Air Plan*.

The statutory authority for the Transportation Fund for Clean Air, the eligible types of projects, and the requirements that govern administration of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Eligible Types of Projects

Projects eligible for funding include:

- 1) The implementation of ridesharing programs. ¹
- 2) The purchase or lease of clean fuel buses for school districts and transit operators.
- 3) The provision of local feeder bus or shuttle service to rail and ferry stations and airports.
- 4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and "smart streets."
- 5) Implementation of rail-bus integration and regional transit information systems.
- 6) Implementation of low emission and zero-emission vehicle programs and of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual's home use.
- 7) Implementation of a smoking vehicles program.
- 8) Implementation of an automobile buy-back scrappage program operated by a government agency.
- 9) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.
- 10) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

Allocation of TFCA Funds

All TFCA funds are distributed by the Air District. The distribution is through two processes. Forty (40) percent of the funds generated in each county are returned to the designated Program Manager within each county (e.g., 40 percent of the funds generated in Marin County are returned to Marin County). The Program Managers recommend which projects to fund with the county 40 percent share of the TFCA funds. Each fiscal year, the Program Managers submit an expenditure program of recommended projects to the Air District for approval.

¹ For purposes of TFCA Regional Fund applications, "ridesharing" means carpooling, vanpooling, or transit. For purposes of TFCA County Program Manager funds, other trip reduction projects, consistent with the county's adopted Congestion Management Program, are also eligible, e.g. police bicycle patrol projects.

The remaining sixty (60) percent of the revenues, referred to as the Regional Fund, are first used to fund certain Air District programs, such as the smoking vehicle complaint line (1-800-EXHAUST) and the vehicle buy-back scrappage program. The remainder of the Regional Fund is distributed to public agencies through a competitive grant application process. The scoring and evaluation criteria are described in Section III.

At least \$8 million will be available for distribution through the competitive Regional Fund in FY 2000/01.

Eligible Applicants for Funds

Any public agency within the jurisdiction of the Air District may apply for funding from the Regional Fund. This includes cities, counties, transit districts, school districts or any other public agency, such as a transportation authority or a congestion management agency.

Non-profit organizations and private companies **cannot** apply directly for TFCA funds, but may join with a public agency to sponsor and implement an eligible project.

All applications must include a resolution of the governing body of the agency authorizing the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal.

Schedule for FY 2000/01 Funding Cycle

April 17, 2000	Application Packets mailed out
May 31, 2000	Workshop for project applicants
June 30, 2000	Deadline to submit applications
August 4, 2000	Draft scores mailed out for public comment (tentative)
September 11, 2000	Funding allocations approved by Mobile Source Committee (tentative)
September 20, 2000	Funding allocations approved by Board of Directors (tentative)

Application Deadline

Applications must be received at the Air District's offices by **5:00 P.M. on Friday, June 30, 2000**. There are **no extensions** of this deadline. Applications via e-mail or fax machine will not be accepted.

Submit two copies of each application to:

Edward Miller, Supervising Environmental Planner
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

Hand delivered applications should be brought directly to the Transportation Fund for Clean Air, 7th floor, 939 Ellis Street, San Francisco.

How Projects Will Be Chosen

Applications to the Regional Fund will be evaluated by Air District staff based upon the evaluation criteria and scoring system described in Section III. Air District staff reserve the right to modify applications in consultation with the applicant where such modification would improve the effectiveness and/or cost-effectiveness of the proposal. Air District staff will not alter the intent or purpose of the proposal to ensure that an applicant receives funding.

Funding Agreements

Sponsor agencies will be notified by mail after projects are approved by the Air District Board of Directors. Air District staff will prepare project Funding Agreements that set forth the terms, conditions, and monitoring and reporting requirements of each grant.

Monitoring Requirements

All TFCA projects must fulfill monitoring requirements to document the emission reductions achieved by the project. The Air District will specify the monitoring requirements in the project Funding Agreement.

How Recipients Will Receive Funds

The payment schedule will be established in the Funding Agreement for each project. No funds will be released until the Funding Agreement has been signed by the project sponsor and the Air District. In general, payment will be made on a reimbursement basis, as project costs are incurred and documented.

As a condition to the funds, agencies are required to submit periodic progress reports (generally on a quarterly basis) as specified in individual Funding Agreements. A delay in receiving reports from the project sponsor may result in project funds being withheld until the appropriate report is submitted to the Air District.

Expenditure of Funds

Project sponsors can only incur project costs as of the date of approval by the Air District Board of Directors. The Air District will not fund and is not liable for any portion of an applicant's cost of preparing and submitting an application.

Any agency receiving funds must expend the funds within two years of the effective date of the Funding Agreement, unless a longer period is approved in advance by the Air District.

Administrative costs are limited to a maximum of five percent of total TFCA funds expended on a project. Appendix C provides additional discussion regarding TFCA administrative costs.

Audits

Each project that receives TFCA funds will be subject to both a fiscal audit and a performance audit. The Air District will select an independent auditor to conduct the fiscal audit. Air District staff will conduct the performance audit to verify that the project has been implemented as approved. During the performance audit, the project is evaluated for compliance with monitoring requirements set forth in the Funding Agreement and to determine its effectiveness in reducing emissions from motor vehicles.

Additional Information and Assistance

Applicants are strongly encouraged to discuss their applications with Air District staff *prior to submittal*. Air District staff can provide assistance in completing project applications, and in identifying necessary data to evaluate the potential emission reductions for the project. Applicants should be sure to review the *Ways to Improve Your TFCA Application* located in Appendix A of this document.

Questions about the application procedures for TFCA Regional Funds should be directed to the Air District staff listed below. Please direct your call to the staff person who is identified as the lead contact for your type of project.

Project Type	Air District Contact
Shuttles, Transit Information, Rail-Bus Integration, Rideshare Programs	Andrea Gordon (415) 749-4940 agordon@baaqmd.gov
Bicycles Facility Improvement Projects, Light Duty Electric Vehicles	David Burch (415) 749-4641 dburch@baaqmd.gov
Arterial Management Projects, Congestion Pricing	Joseph Steinberger (415) 749-5018 jsteinberger@baaqmd.gov
Light, Medium and Heavy Duty Natural Gas Vehicles	Matt Nichols (415)749-4982 mnichols@baaqmd.gov
School/Transit Clean Fuel Bus Replacements	Michael Murphy (415) 749-4644 mmurphy@baaqmd.gov

Air District staff has prepared a report entitled *Guide to Low Emission Vehicles*. This document is a valuable resource for applicants interested in clean air vehicle projects and is available at no cost by calling the TFCA document request line at (415) 749-4994 or via e-mail at tfca@baaqmd.gov. The *Guide to Low Emission Vehicles* is also available on the Air District's web site at <http://www.baaqmd.gov/planning/plntrns/tfcapage.htm>.

SECTION II: POLICIES

The adopted TFCA policies for FY 2000/01 are listed below. All policies that apply to both the County Program Manager funds **and** the Regional Funds are presented first, i.e. Policies 1 through 21. Policies that apply only to the TFCA Regional Funds are presented last, i.e. Policies 22 through 34. Policies that only apply to the Regional Funds are noted with the following: **(Regional Funds only)**.

BASIC ELIGIBILITY

1. **TFCA \$ Per Ton:** The Air District Board will not approve any project for TFCA funding that has a TFCA funding effectiveness level equal to or greater than \$50,000 TFCA \$ per ton.

This policy does not apply to clean air vehicle projects for passenger cars, pick-up trucks and vans with a gross vehicle weight of 10,000 pounds or less. These projects are limited to the funding amounts specified in Policy 15, Funding Participation Rates for Vehicle Purchases.

2. **Reduce Emissions:** Each project must result in a reduction of motor vehicle emissions.
3. **Viable Project:** Each project application should identify sufficient resources to accomplish the project. Applications that are speculative in nature or are contingent on the availability of unknown resources or funds will not be considered for funding.
4. **Responsible Public Agency:** TFCA funds may only be awarded to public agencies. These agencies must be responsible for the implementation of the project and have the authority and capability to complete the project.
5. **Non-Public Entities:** A public agency may apply for TFCA funds for clean air vehicles on behalf of a non-public entity when one or more of the following conditions are met:

- 1) the non-public entity will use the vehicle(s) to provide, under permit or contract, an essential public service that would otherwise be provided directly by the public agency (e.g. refuse collection, street-cleaning, school bus service, etc.), or
- 2) the non-public entity will use the vehicle(s) to provide, under permit or contract, transportation demand management services to the general public (e.g. vanpools, shuttles to transit stations, door-to-door airport shuttles, taxi services, etc.)

As a condition of receiving TFCA funds on behalf of a non-public entity, the public agency must provide a written, binding agreement that commits the non-public entity to operate the clean air vehicle(s) within the Air District for the duration of the useful life of the vehicle(s). In those situations where multiple non-public entities are under contract or permit to provide the service described in 1 or 2 above, the public agency must provide a written policy which demonstrates that the vehicle incentive funds will be offered on an equitable basis to all the non-public entities which are providing the service.

6. **Consistent with Existing Plans and Programs:** All projects must conform to the types of projects listed in the California Health and Safety Code Section 44241 and the transportation control measures and mobile source measures included in the Air District's *1997 Clean Air Plan (CAP)*, and, when applicable, with the appropriate Congestion Management Program.

INELIGIBLE PROJECTS

7. **Duplication:** Applications for projects which duplicate existing projects, regardless of funding source, will not be considered for funding. Combining Program Manager Funds with TFCA Regional Funds for a single project is not project duplication.
8. **Employee Subsidy:** Projects that provide a direct or indirect financial transit or rideshare subsidy exclusively to employees of the project sponsor will not be considered for funding. For projects that provide such subsidies, the direct or indirect financial transit or rideshare subsidy must be available, in addition to the employees of the project sponsor, to employees other than those of the project sponsor.

USE OF TFCA FUNDS

- 9. Combined Funds:** TFCA County Program Manager Funds may be combined with TFCA Regional Funds for the funding of an eligible project. For purposes of calculating TFCA funding effectiveness for TFCA Regional Funds (Evaluation Criterion #1), the 40% County Program Manager Funds will be included in the calculation of the TFCA cost of the project.
- 10. Cost of Developing Proposals:** The costs of developing proposals for TFCA funding are not eligible to be reimbursed with TFCA funds.
- 11. Administrative Costs:** Administrative costs are limited to a maximum of five (5) percent of total TFCA funds expended on a project. Air District policy defining allowable administrative costs appears in Appendix C of this document.
- 12. Expend Funds within Two Years:** Any public agency or entity receiving Regional Funds must expend the funds within two years of the effective date of the Funding Agreement, unless a longer period is approved in advance by the Air District. In the case of the Program Manager funds, the funds must be expended within two years of receipt of the first transfer of funds from the Air District to the Program Manager in the applicable fiscal year, unless a longer period is approved in advance by the Program Manager.

POLICIES SPECIFIC TO PROJECT TYPES

- 13. Clean Air Vehicles:** All chassis certified vehicles (light and most medium duty vehicles) certified by the California Air Resources Board (CARB) as meeting established ultra low emission vehicle (ULEV), super low emission vehicle (SULEV), or zero emission vehicle (ZEV) standards are eligible for TFCA funding. Hybrid electric vehicles (HEVs) that meet SULEV or ZEV standards are eligible for TFCA funding provided that they have plug-in capability (i.e. the ability to recharge their batteries directly from the electric grid), and an all-electric range of 20 miles or more, as certified by CARB [Board adopted amended language June 7, 2000].

All engine certified vehicles (some medium duty and all heavy duty vehicles) must be certified to CARB's optional low-NOx standards of either 2.0 or 2.5 grams per brake horsepower hour of oxides of nitrogen, or deemed by CARB as eligible under the Carl Moyer Program, to be eligible for TFCA funding. All engine certified hybrid electric vehicles (HEVs) must demonstrate emissions of no more than 2.0 grams per brake horsepower hour of oxides of nitrogen to be eligible for TFCA funding, regardless of the fuel used in the hybrid electric configuration.

With the exception of hybrid electric vehicles noted above, no vehicles with the ability to run on gasoline or diesel fuel as their primary fuel will be funded.

14. Vehicle Replacement: For the FY 2000/01 TFCA funding cycle, there is no specific requirement to sell or scrap a vehicle.

For the FY 2001/02 TFCA funding cycle, TFCA Regional Fund projects for vehicles greater than 10,000 lbs. gross vehicle weight (GVW) will receive a 15 point reduction in their project application evaluation score if the project sponsor does not commit to removing from service and destroying (i.e. destruction of the engine block and frame/chassis) an existing similar or equivalent vehicle within the applicable vehicle fleet.

Beginning with the FY 2002/03 TFCA funding cycle, vehicles greater than 10,000 lbs. GVW purchased with TFCA funds must replace an existing similar or equivalent vehicle within the applicable vehicle fleet. The vehicle being replaced must be removed from service and destroyed (i.e. destruction of the engine block and frame/chassis).

15. Funding Participation Rates for Vehicle Purchases: For clean air vehicle projects for passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less, project sponsors may receive no more than the following funding incentive amounts:

<u>Eligible Vehicle</u>	<u>TFCA Funding Amount Per Vehicle**</u>
Ultra Low Emission Vehicle (ULEV)	\$3,000
Super Low Emission Vehicle (SULEV)	\$4,500
Highway Zero Emission Vehicle	\$6,000
City Zero Emission Vehicle	\$3,000
Neighborhood Zero Emission Vehicle	\$1,500
Three-wheel Zero Emission Vehicle	\$1,500
[Board adopted amended language June 7, 2000]	

** These funding amounts will be pro-rated for leased vehicles in those cases where the vehicle is available for purchase.

For clean air vehicle projects with a gross vehicle weight of more than 10,000 pounds, project sponsors may receive no more than the following funding incentive amounts:

<u>Eligible Vehicle</u>	<u>TFCA Funding Amount Per Vehicle</u>
Transit Buses (30 ft. or bigger)	\$150,000
School Buses (78-84 passenger)	\$ 75,000
All Other Buses	\$ 35,000
Heavy Duty Trucks	\$ 50,000
Street Sweepers	\$ 25,000

- 16. Clean Air Vehicle Infrastructure:** The TFCA Regional Fund will fund the clean air vehicle infrastructure development associated only with electric vehicle projects and only under the following conditions: a) the maximum level of funding is limited to the amount necessary to satisfy the recharging demand created by the project; and b) after satisfying the project needs, the recharging infrastructure must be accessible, to the extent feasible, to other public agencies, private fleets, and the general public.

The TFCA Program Manager Funds may be used for both electric recharging and natural gas fueling infrastructure. The electric recharging and natural gas fueling infrastructure must be accessible, to the extent feasible, to other public agencies, private fleets, and the general public

- 17. Bus Definition:** For purposes of transit and school bus replacement projects, a bus is any vehicle designed, used or maintained for carrying more than 15 persons including the driver. A vehicle designed, used, or maintained for carrying more than 10 persons, including the driver, which is used to transport persons for compensation or profit, or is used by any nonprofit organization or group, is also a bus. A vanpool vehicle is not a bus.
- 18. Shuttle/Feeder Bus Service:** Any application for a project to operate a shuttle or feeder bus route to and from a rail station, airport, or ferry terminal must:

- a) be submitted by a public transit agency, or
- b) be accompanied by documentation from the General Manager of the transit agency that provides service in the area of the proposed shuttle route which demonstrates that the proposed shuttle service does not duplicate or conflict with existing transit agency revenue service.

All shuttle/feeder bus service to rail or ferry stations must be timed to meet the rail or ferry lines being served.

Shuttle/feeder bus projects that are not submitted by a transit agency that received TFCA funding prior to FY 2000/01 and obtained a letter of support from all potentially affected transit agencies need not comply with “b” above unless funding is requested for a new or modified shuttle/feeder bus route.

- 19. Bicycle Projects:** Bicycle facility improvement projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. For purposes of this policy, if there is no adopted countywide bicycle plan, the project must be in the county's CMP, or the responsible Congestion Management Agency must provide written intent to include the project in the next update of the CMP. Eligible bicycle projects are limited to the following six types of bicycle improvement facilities: 1) Class I bicycle paths, 2) Class 2 bicycle lanes (or widening of outside lanes to accommodate bicycles), 3) Class 3 bicycle routes, 4) bicycle racks, including bicycle racks on transit buses, 5) bicycle lockers, and 6) attended bicycle storage facilities. All bicycle facility improvement projects must, where applicable, be consistent with design standards published in *Chapter 1000 of the California Highway Design Manual*.
- 20. Arterial Management:** TFCA funds may only be used for arterial management projects where the affected arterial has an average daily traffic volume of 20,000 or more, or an average peak hour traffic volume of 2,000 or more. The project must specifically identify a given arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment. Projects that provide routine maintenance (e.g. responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funding.
- 21. Smart Growth:** Physical improvements that support development projects that achieve motor vehicle emission reductions are eligible for TFCA funds subject to the following conditions: 1) the development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan; and 2) the project must implement one or more transportation control measures (TCMs) in the Bay Area Clean Air Plan. For the FY 2000/01 funding cycle, projects that implement TCM 19 (pedestrian improvements) or TCM 20 (traffic calming) are encouraged. Projects that would implement other TCMs will also be considered for funding.

BASIC ELIGIBILITY (Regional Funds only)

- 22. Matching Funds:** The Air District will not enter into a funding agreement for an approved project until all project funding has been approved and secured. For project applications requesting greater than \$100,000 in TFCA Regional Funds, project sponsors must provide matching funds from non-TFCA sources which equal or exceed 20% of the total project cost. TFCA County Program Manager Funds do not count toward fulfilling the non-TFCA matching funds requirement. Project applications for TFCA Regional Funds of \$100,000 or less may request 100% TFCA funding. **(Regional Funds only)**
- 23. Authorizing Resolution:** Regional Fund grant applications must include a resolution from the governing board (e.g. City Council, Board of Supervisors, Board of Directors, etc.) authorizing the submittal of the application and identifying the individual authorized to submit and carry out the project. Applications submitted without an authorizing resolution will be returned to the sponsor and will not be scored if the adopted resolution is not received within 30 days after the application submittal deadline. **(Regional Funds only)**
- 24. Minimum Score:** The Air District will not award funds to any project which achieves a score of less than 40 points (out of a possible 100 points) based upon the project evaluation and scoring criteria listed in Section III of this document. **(Regional Funds only)**
- 25. Minimum Amount:** Only projects requesting \$10,000 or more in TFCA Regional Funds will be considered for funding. For clean air vehicle projects only, smaller funding applications will be accepted and considered. **(Regional Funds only)**
- 26. Maximum Amount:** No single project or competitive funding application may receive more than \$1,000,000 in TFCA Regional Funds in any given fiscal year. This limitation does not include any Program Manager Funds the project sponsor may receive for the project. **(Regional Funds only)**
- 27. Readiness:** Projects will be considered for funding only if the project will commence in calendar year 2001 or sooner. For purposes of this policy, commence means to order or accept delivery of vehicles or other equipment being purchased as part of the project, to begin delivery of the service or product provided by the project, or to award a construction contract. **(Regional Funds only)**

- 28. Maximum One Year Operating Costs:** For projects which request operating funds to provide a service, such as ridesharing programs and shuttle and feeder bus projects, the Air District will provide funding on an annual basis: i.e. the District will approve funding for one annual budget cycle, with the exception of the regional ridesharing program sponsored by the Metropolitan Transportation Commission. Applicants who seek TFCA Regional Funds for additional years must re-apply for funding in the next funding cycle. **(Regional Funds only)**
- 29. Project Revisions:** If project revisions become necessary after the project funding agreement is signed, the revised project must be within the same eligible project category and receive a point score higher than the funding cut-off point based upon the scoring criteria for the year in which the project was originally approved. Project revisions initiated by the sponsor which significantly change the project before the allocation of funds by the Air District Board of Directors will not be accepted. **(Regional Funds only)**

APPLICANT IN GOOD STANDING (Regional Funds only)

- 30. Monitoring and Reporting:** Project sponsors who have failed to fulfill monitoring and reporting requirements for any previously funded TFCA Regional Fund project by the application submittal deadline will not be considered for new funding for the current funding cycle, and until such time as the unfulfilled obligations are met. **(Regional Funds only)**
- 31. Failed Audit:** Project sponsors who have failed either the fiscal audit or the performance audit for a prior TFCA project will, at the discretion of the Air Pollution Control Officer (APCO), not be considered for future funding. Any future funds, which are awarded to the agency, will not be released until all audit recommendations and remedies have been implemented. **(Regional Funds only)**
- 32. Signed Funding Agreement:** Project applicants will have to sign a Funding Agreement within three (3) months after it has been transmitted to them by the APCO in order to remain eligible for the granted TFCA funds. The APCO may grant a one-time extension of three (3) months to the applicant for just cause. Project applications will not be considered from project sponsors who were awarded TFCA funds in a previous year (i.e. FY 99/00 or earlier) and have not signed a Funding Agreement with the Air District by the current application deadline. **(Regional Funds only)**

- 33. Implementation:** Project sponsors that have a signed Funding Agreement for a prior TFCA project, but have not yet implemented that project by the current application deadline, will not be considered for funding for any new project. The phrase "implemented that project" means that the project has moved beyond initial planning stages and emissions reductions are being achieved. The APCO will have the discretion to accept subsequent applications for unrelated projects if the delay in implementation of the current project is beyond the control of the project sponsor, or within the project's approved implementation schedule. **(Regional Funds only)**

FISCAL (Regional Funds only)

- 34. Returned Funds:** TFCA returned funds accrue to the TFCA Regional Fund and will be allocated to new TFCA Regional Fund projects during the next funding cycle. TFCA returned funds consist of 1) TFCA Regional Funds allocated to projects that are completed under budget, cancelled, or awarded an amount less than the Board approved allocation; 2) any unallocated TFCA Regional Funds from the prior year funding cycle; or 3) TFCA County Program Manager funds that are returned to the Air District. **(Regional Funds only)**

SECTION III: EVALUATION CRITERIA

FY 2000/01 TFCA Regional Fund Scoring Criteria

Criteria	Maximum Points
1. TFCA Funding Effectiveness	70
2. Other Project Attributes	15
3. Clean Air Policies and Programs	10
4. Disadvantaged Community	5
Total	100

Discussion

The maximum possible score is 100 points. Projects will be ranked by total point score in descending order. A minimum score of 40 points is required to be considered for funding. In the event that two or more projects achieve an equal score, project ranking will be determined by TFCA Funding Effectiveness (Criterion #1). The project with the best TFCA Funding Effectiveness will receive priority.

Available Regional Funds will be allocated to projects beginning with the highest ranking project and proceeding in sequence to lower-scoring projects, to fund as many eligible projects as available funds can fully cover. The point where the next-ranked eligible project cannot be fully funded defines the cut-off point for the funding cycle, i.e. all projects above this point will be funded. Any remaining available funds will be allocated to projects in the subsequent funding cycle. No partial grant awards will be made.

○ **Criterion 1: TFCA Funding Effectiveness: [maximum 70 points]**

This criterion is designed to measure the effectiveness of a project in reducing air pollutant emissions and to encourage projects that contribute funding from other, non-TFCA sources in excess of required matching funds. TFCA funds budgeted for the project (both Regional Funds and County Program Manager Funds combined) will be divided by the estimated lifetime emission reduction for the project. The estimated lifetime emission reduction is the sum of reactive organic gases (ROG), oxides of nitrogen (NOx), and particulate matter (PM10) that will be reduced over the life of the project. Air District staff will determine the estimated emission reductions and TFCA funding effectiveness for the project.

The point scale for awarding points for this criterion is presented below.

Point Scale for Criteria 1

<u>TFCA \$/Ton</u>			<u>Points</u>	<u>TFCA \$/Ton</u>			<u>Points</u>
\$0	-	\$999	70	\$26,000	-	\$26,999	44
\$1,000	-	\$1,999	69	\$27,000	-	\$27,999	43
\$2,000	-	\$2,999	68	\$28,000	-	\$28,999	42
\$3,000	-	\$3,999	67	\$29,000	-	\$29,999	41
\$4,000	-	\$4,999	66	\$30,000	-	\$30,999	40
\$5,000	-	\$5,999	65	\$31,000	-	\$31,999	39
\$6,000	-	\$6,999	64	\$32,000	-	\$32,999	38
\$7,000	-	\$7,999	63	\$33,000	-	\$33,999	37
\$8,000	-	\$8,999	62	\$34,000	-	\$34,999	36
\$9,000	-	\$9,999	61	\$35,000	-	\$35,999	35
\$10,000	-	\$10,999	60	\$36,000	-	\$36,999	34
\$11,000	-	\$11,999	59	\$37,000	-	\$37,999	33
\$12,000	-	\$12,999	58	\$38,000	-	\$38,999	32
\$13,000	-	\$13,999	57	\$39,000	-	\$39,999	31
\$14,000	-	\$14,999	56	\$40,000	-	\$40,999	30
\$15,000	-	\$15,999	55	\$41,000	-	\$41,999	29
\$16,000	-	\$16,999	54	\$42,000	-	\$42,999	28
\$17,000	-	\$17,999	53	\$43,000	-	\$43,999	27
\$18,000	-	\$18,999	52	\$44,000	-	\$44,999	26
\$19,000	-	\$19,999	51	\$45,000	-	\$45,999	25
\$20,000	-	\$20,999	50	\$46,000	-	\$46,999	24
\$21,000	-	\$21,999	49	\$47,000	-	\$47,999	23
\$22,000	-	\$22,999	48	\$48,000	-	\$48,999	22
\$23,000	-	\$23,999	47	\$49,000	-	\$49,999	21
\$24,000	-	\$24,999	46	\$50,000	-	and above	0
\$25,000	-	\$25,999	45				

○ **Criterion 2: Other Project Attributes [maximum 15 points]**

The purpose of this criterion is to provide a mechanism in the evaluation and scoring process to identify and assess desirable project attributes that are not captured in the analysis of TFCA funding effectiveness. Projects may score points under this criterion based upon other project attributes identified for each project type. The specific project attributes for each project type will be identified after project applications have been received and reviewed.

○ **Criterion 3: Clean Air Policies and Programs [maximum 10 points]**

The purpose of this criterion is to recognize and encourage efforts of public agencies to implement policies and programs that promote the region's air quality objectives, especially land use and transportation policies that help to reduce air pollution from motor vehicles.

To receive points for this criterion, the sponsoring agency must describe its policies and actions to implement the transportation control measures (TCMs) in the *Bay Area 1997 Clean Air Plan*. Points will be awarded based upon the performance of the project sponsor in implementing those elements of each TCM which are within the purview of the sponsor agency. To obtain a full description of the TCMs, visit the Air District web site at the following address: <http://www.baaqmd.gov/planning/cap/final/download.htm>, or call the TFCA document request line at (415) 749-4994 and request *Appendix E* of the *1997 Clean Air Plan*.

○ **Criterion 4: Disadvantaged Community [maximum 5 points]**

This criterion will award a maximum of 5 points (sliding scale 0-5 points) for projects that improve transportation options for residents of economically disadvantaged communities. For purposes of this criterion, economically disadvantaged communities are defined in a report entitled *A Guide to the Bay Area's Most Impoverished Neighborhoods*, prepared for the Bay Area Partnership by the Northern California Council for the Community. Forty-four disadvantaged communities throughout the Bay Area are identified. To qualify for points, the project must directly benefit one or more of these communities. *Appendix B provides a list of the Bay Area neighborhoods that qualify under this criterion.* The project sponsor must 1) identify the census tracts in the disadvantaged community that will benefit from the project, 2) specify the percentage of project resources or services that will be delivered to the identified disadvantaged community, and 3) provide a clear explanation as to how the project directly benefits residents in that community. The number of points awarded will be based upon the percentage of project resources that directly benefit the community and the extent to which the project sponsor demonstrates this benefit.

SECTION IV: APPLICATION INSTRUCTIONS

Regional Fund Applications

All applicants must complete the 2000 TFCA Regional Fund application form. A separate application form must be submitted for each project. For clean air vehicle projects (school and transit bus projects, and heavy duty vehicles), separate applications must be completed for each fuel type and each vehicle type. Complete Parts I through VI for each application. In addition, complete the appropriate supplementary information sheet(s) that corresponds to your project type (Part VII through XII). Applicants may attach additional information as needed. The application form is available via e-mail at tfca@baaqmd.gov, or on the Air District's web site at <http://www.baaqmd.gov/planning/plntrns/tfcapage.htm>.

Applications for Clean Air Vehicles 10,000 lbs. or less

All applicants submitting applications for clean air passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less must apply for funding through the Air District's vehicle incentive program (VIP). These vehicle types may also be funded with Program Manager funds, administered by the respective county Program Managers.

The VIP program is a separate process and funds are used exclusively for the purchase or lease of alternative fuel clean air vehicles, with standardized incentive amounts based upon the emission level of the vehicle. The program will be limited to alternative fuel passenger cars, pick-up trucks, and vans with a gross vehicle weight of 10,000 pounds or less.

Eligible vehicles include dedicated compressed natural gas (CNG) and propane vehicles, electric vehicles, and hybrid electric vehicles. Vehicles must achieve Air Resources Board emission standards for ultra low emission vehicles (ULEVs), super ultra low emission vehicles (SULEV's) or zero emission vehicles (ZEV's) to qualify for TFCA funding.

More information on the VIP program, application process and schedule will be available in early July 2000.

Part I: Summary Information

Provide all information requested.

Part II: Project Description

Provide a concise project description. Answer the questions: *who? what? when? where? and why?* Provide all information requested. Attach additional information (e.g. maps) as appropriate.

Part III: Budget

Provide a breakdown of the total project budget.

Note: Requests are limited to actual project costs to be incurred. Requests for contingent costs will not be funded. Planning activities that are not directly related to implementation of the project will not be funded. A maximum of five (5) percent of the total TFCA funds expended on a project, may be used for administrative cost.

Part IV: Funding

List the amount of TFCA Regional Funds requested. Note any TFCA Program Manager Funds allocated to the project. Specify the amount and source of all other project funds. Documentation of matching funds in the form of a resolution, budget, letter of funding commitment, or contract is to be submitted with the application. If this documentation is not available at the time the application is submitted, indicate when it will be provided to the Air District.

Part V: TCM Implementation (Criterion #3)

To apply for points based upon implementation of the transportation control measures in the *Clean Air Plan*, complete this section. Check the box for each TCM that your agency is implementing. In a separate attachment, provide a brief paragraph summarizing the policies and actions which your agency has taken to implement each TCM. Note: provide a description only; do not submit supporting documentation.

Part VI: Checklist

Complete the checklist. Provide appropriate documentation as noted.

All applications must include a resolution by the governing body of the agency authorizing the submittal of the proposal and identifying the individual authorized to submit and carry out the proposal. Air District will provide a sample resolution upon request--call the TFCA document request line at (415) 749-4994 or via e-mail at tfca@baaqmd.gov.

Part VII through XII: Supplementary Project Information Sheets

Complete and submit the supplementary sheet(s), which corresponds to your project type only.

Ridesharing projects -	Part VII
Shuttle and feeder bus projects (1)	
Vanpool projects	Part VII & Part VIII
Regional transit information -	Part VII
Rail-bus integration projects -	Part VII
Arterial management projects -	Part IX (Sections 1-3)
Transit bus traffic signal preemption -	Part IX (Sections 4 only)
Bicycle paths, lanes, and routes -	Part X
Bicycle racks and lockers -	Part XI
School and transit bus replacement projects -	Part XII
Clean air vehicle greater than 10,000 lbs. GVW	Part XII

(1) Shuttle and feeder bus projects that receive public funding must fulfill obligations established by the Americans with Disabilities Act of 1990 (ADA). Specifically, a person with disabilities must be able to have access to your shuttle/feeder bus service in the same way as a non-disabled person. All vehicles used to provide the shuttle/feeder bus service must be wheelchair accessible, and the service provided to a person with disabilities must be equivalent with the service for the non-disabled. To be equivalent, the service must be consistent in several ways: response time, fares, geographic area of service, and hours and days of service operation.

Submittal

Submit two (2) copies of the application form to:

Edward Miller, Supervising Environmental Planner
BAAQMD
939 Ellis Street
San Francisco, CA 94109

All applications must be received by the Air District by 5:00 p.m. Friday, June 30, 2000. Hand-delivered applications should be delivered to the TFCA, 7th Floor, 939 Ellis St., San Francisco. There are **no extensions** of this application deadline. Fax applications will not be accepted.

Appendix A

Ways to Improve your TFCA Application

1. Be sure to read the Application Guidance, and review the policies in Section II and the evaluation criteria in Section III.
2. Attend the TFCA application workshop on May 31st--see Workshop Notice. This is especially recommended for first time applicants.
3. Meet with or talk with the Air District staff contact for your project type (see page 7) to discuss your project *in advance*.
4. Applicants who bring matching funds to the project will improve their score in terms of the TFCA funding effectiveness (Evaluation Criterion 1).
5. For clean air vehicle projects, sponsors must file a *separate* application for:
 - a) each fuel type (i.e. electric vehicles must be separate from natural gas vehicles); and
 - b) each of the following categories of vehicles: 1) medium duty vehicles greater than 10,000 lbs; 2) school buses, 3) transit buses; 4) heavy duty vehicles (other than buses), and 5) other vehicle types (e.g. parking enforcement vehicles, small utility vehicles etc.)

[For example, a project sponsor seeking funding for a medium duty electric vehicle, a medium duty natural gas vehicle, and a heavy duty natural gas vehicle will need to submit three applications.]
6. Applications for ridesharing, shuttle and feeder bus service, and transit information projects must estimate the number of vehicle trips that will be reduced by the project, and provide supporting information and data to justify the estimate (see Part VII of the application form). The applicant should provide data based upon a pre-project survey, focus groups, or other data sources to document potential user demand, pre-project mode of travel, average length of vehicle trip, etc.
7. For arterial management and signal timing projects, the data for traffic volume and average vehicle speed (see the application form, Part IX) must be generated concurrently (i.e. during the exact same day and time period).

Appendix B

BAY AREA'S MOST IMPOVERISHED NEIGHBORHOODS BY COUNTY

Alameda County	
Neighborhood	Key Census Tract
West Berkeley	4232, 4233, 423 and 4240
East Oakland	4075, 4088, 4090
Elmhurst District	4084, 4089, 4094
Fruitvale/San Antonio	4062
San Antonio	4060
West Oakland	4007, 4009, 4010, 4013, 4014 4015, 4016, 4017, 4018 4019, 4021, 4022, 4024, 4025 4026, 4027, 4028, 4029, 4030, 4031, 4034

Contra Costa County	
Neighborhood	Key Census Tract
Monument Area	3240, 3361, 3362, 3280
Bay Point	3141.01
Mid Pittsburg	3100
Coronado	3790 and 3800
Iron Triangle	3750, 3760, 3770
North Richmond	3650.02

Marin County	
Neighborhood	Key Census Tract
Portion of Marin City	1290
Portion of Novato	1050
Canal Area	1122
Central	1110

Napa County	
Neighborhood	Key Census Tract
Portion of Calistoga	2020
Portion of St. Helena	2016
Portion of Napa City	2001, 2002, 2003, 2005, 2008
Portion of Yountville	2013

Appendix B (cont.)

BAY AREA'S MOST IMPOVERISHED NEIGHBORHOODS BY COUNTY

Sonoma County	
Neighborhood	Key Census Tract
Portion of Boyes Hot Springs	1503.02
Portion of Guerneville	1537.01
Apple Valley Way	1521 and 1522
Northwest Santa Rosa	1529.02
Roseland	1514, 1519, 1520, 1530.02 1531, 1532 and 1533

San Mateo County	
Neighborhood	Key Census Tract
Bayshore	6002
West Daly City	6004, 6005, 6006, 6007
Portion of East Palo Alto	6117, 6118, 6119, 6120 And 6121.98
North Fair Oaks Area	6102, 6102.02, 6105 and 6106
East San Mateo	6061
Portion of the City of Menlo Park	5116.02

Santa Clara County	
Neighborhood	Key Census Tract
Central San Jose	5008, 5009, 5010, 5013, 5014 5015 and 5016
East San Jose	5031.07, 5032.02, 5034, 5035.05, 5036.02, 5037.02 5037.03 and 5037.04
Portion of Gilroy	5126.01

Solano County	
Neighborhood	Key Census Tract
Portion of Fairfield/Suisun City	2524.01, 2524.02, 2525.01, 2526.04 2526.06, 2526.07, 2526.08 and 2527.02
Portion of Vallejo	2506.01, 2507.01, 2507.02, 2509, 2510 2511, 2512, 2515, 2516, 2518.02 And 2519.03

San Francisco	
Neighborhood	Key Census Tract
Bayview/ Hunters Point	231 and 609
Chinatown	107, 113, 114, and 118
Mission District	229
South of Market	176.98, 177, 180, 201.98
Tenderloin	124 and 125
Visitation Valley	605
Fillmore/Hayes Valley Area	161
Outer Mission District	208

Appendix C

TFCA ADMINISTRATIVE COSTS

This appendix provides the Air District's interpretation of Health and Safety Code Section 44233, which states that not more than 5% of the Transportation Funds for Clean Air (TFCA) funds distributed by the Air District can be used for administrative costs. A method to determine indirect costs related to both project implementation and grant administration is also provided below. The Air District will utilize the definitions and interpretations discussed below in the administration of the TFCA.

ADMINISTRATIVE COSTS

For project sponsors, administrative costs include the direct and indirect costs associated with entering into a TFCA funding agreement and accounting for TFCA funds. Administrative costs are limited by law to 5% of the total TFCA funds received by an agency. The Air District interprets this 5% cap to apply to both the TFCA funds received as well as any interest earned by an agency on those funds. *Administrative costs may only be charged to a project where the hours worked to account for the funds and enter into the funding agreement are identifiable and documented separately from project costs.* Documentation of the hourly charges may be provided either in the form of time sheets or any other generally accepted mechanism to allocate and document staff time. The project sponsor may choose not to charge any administrative costs for a TFCA project.

PROJECT COSTS

Project costs include direct and indirect costs incurred in the implementation of a TFCA funded project. Implementation includes fulfillment of all monitoring, reporting and record keeping requirements specified in the funding agreement as well as the costs of carrying out the substance of the project.

A project sponsor may choose not to charge any indirect costs to a TFCA project. The accounting methods used by many public agencies do not include identification of indirect costs or the application of an indirect cost rate. The agency may determine that it would not be worth the effort to change their system.

DIRECT COSTS

For *administrative costs*, direct costs are the sum of documented hourly labor charges and other costs directly and solely related to entering into the TFCA funding agreement and accounting for TFCA funds.

For *project costs*, direct costs are the sum of documented hourly labor charges, purchases, contracts or other costs directly and solely related to implementation of the project.

INDIRECT COSTS

The Air District relies upon OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments* for determining appropriate indirect costs for TFCA projects. Consistent with the Circular, the Air District uses the following definition: *Indirect costs are the reasonable overhead costs incurred in providing a physical place of work and in performing general support services and oversight. Examples include rent, utilities, office supplies, computer, payroll, reproduction, mailroom support staff, and management oversight.*

Using this definition, indirect costs for a TFCA project are calculated based on actual expenditures as follows:

The direct labor costs on the TFCA project or grant administration, excluding capital purchases and external contracts, divided by the total departmental or agency-wide labor costs, excluding capital purchases and external contracts, will equal the indirect cost rate for the TFCA project. The total departmental or agency-wide indirect costs, as defined above, multiplied by this indirect cost rate will equal the amount of indirect costs attributable to either the implementation of the TFCA project or the administration of the TFCA grant. These indirect costs are recoverable from TFCA funds.

Example

The Air District calculates indirect costs on an agency-wide basis. The indirect costs allocated to Air District-sponsored TFCA projects are the proportionate share of the actual costs incurred as management oversight and support services. We include most central services for the agency, such as costs for the operation of our Board of Directors, including the Clerk of the Board's office and the Board's Advisory Council, our Executive Office, the Administrative Division, Human Resources, the Legal Department, and the maintenance of the Air District's buildings, computer and communications equipment, and vehicles.

Project sponsors should be careful not to include functions unrelated to the TFCA project when determining indirect costs. We exclude Air District activities that do not provide services for the TFCA projects. Current examples of these are the running of the Air District's Laboratory, Hearing Board, and testing of emission levels from permitted stationary sources (e.g. refineries, powerplants, drycleaners, etc.). These are excluded since they relate only to the control of emissions from stationary sources.

A project sponsor may choose not to charge any indirect costs to a TFCA project. The accounting methods used by many public agencies do not include identification of indirect costs or the application of an indirect cost rate. The agency may determine that it would not be worth the effort to change their system.

HOURLY LABOR CHARGES

Hourly labor charges are the sum of the salary paid to an employee plus the cost of fringe benefits provided, expressed on the basis of hours worked on the TFCA project.

TRAVEL AND TRAINING COSTS

TFCA funds may be used for travel and training costs only if the travel and training are directly related to the implementation of the funded project. For example, the cost of training for mechanics to learn how to service natural gas clean air vehicles would be an allowable project related direct cost.